



### MAFMIC Chairman's Message

Well.....the sun is beginning to set on my time as Chairman of our great organization. When I attended my first MAFMIC Convention at the age of 21, I would say "great" wasn't exactly how I would have described MAFMIC. Actually, I didn't really know how to describe it, other than it was a bunch of old people who did something with insurance. I assumed it involved farms that were mostly in Minnesota. But still, that was just my best guess. Thankfully, my path has kept me in this industry where I have learned through the years how great MAFMIC really is.



It almost seems like each new year says to the prior year, "hold my beer". But each new challenging year has given MAFMIC the opportunity to showcase to the membership exactly why it really is great. We know the many adversities faced by members this year and the past couple years. MAFMIC continues to be heavily involved with assisting members to address and overcome these difficulties. My hat goes off to Adam, Dani, and Arlette for all the work you do for the Association! Being Chairman has granted me the opportunity to be part of the various committees through this past year. The hard, yet rewarding, work performed in these committees was fun to watch materialize. Each committee also took on the additional task this year and assisted with the strategic plan development. This plan is meant to be used as a road map to help identify challenges and guide the organization to achieve its current and future goals. We are grateful for the work done in these committees for the benefit of all members.

My family and I are looking forward to the upcoming convention at the Radisson Blu Mall of America on February 4-6, 2023. We invite you to join us at the convention and, more specifically, the Chairman's Reception on Sunday night. Get ready to break out your Aquanet, Swatch Watches, and Jellies, because it's an '80s theme with live Dueling Pianos! Also, if you happen to stay up a bit too late on Sunday, you're in luck because the prayer breakfast has been moved to Tuesday morning with a slightly later start time. We can't wait to see everyone showing off their '80s style. Awards will be presented to the best dressed male and female later at the banquet on Monday evening. Before I'm officially kicked out the door, I just want to share that it really has been an honor to serve as your Chairman and to have been involved with MAFMIC over the years. As I morph into one of those old people I remembered, my understanding of what all the Association really does has evolved and grown. At the same time, so has my appreciation for the staff, the membership, and work being done.

*Wishing you a safe and blessed Holiday Season ahead.*

*MAFMIC Chairman, 2023 ~ 2024, Nick Hager*

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### Editorial Advisory Committee

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 Randy Green - Green Wealth Management Group  
 Tammy Hansen - Palmyra Farmers Mutual  
 Wendy Keenan - Abdo  
 John Neal - Willenbring, Dahl, Wocken  
 & Zimmermann  
 Joel Peiffer - IMT Software Services  
 Missy Romano - RAM Mutual  
 Teri Wermerskirchen - Buffalo Lake-New Auburn  
 Mutual  
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 Josh Lowe, **Statewide**, RAM Mutual



To all members of  
 MAFMIC we want  
 to Thank You  
 for your continued  
 Support  
 throughout the  
 year!

We wish you  
 A Happy  
 Thanksgiving,  
 A Wonderful  
 Christmas &  
 Successful  
 New Year!

The MAFMIC Staff  
 Adam, Dani &  
 Arlette



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22-SC-00976 (08/22)

## Member Profile “Otter Tail Adjusting”

Otter Tail Adjusting has offices in Fergus Falls and Willmar, MN. We serve all of central Minnesota and beyond. In 2017 we purchased Otter Tail Adjusting from our friends Verlyn and Kathy Fjestad.

Our company provides property and casualty adjusting services.

Currently Dean and Lori Thorson operate Otter Tail Adjusting with Dean Thorson performing adjusting services and Lori Thorson performing administrative duties.

Our company mission is to be courteous and provide fair claim handling.

Our goal in the next five years will be bringing on our son Andrew Thorson and hopefully our son-in-law Tyler Bendickson.

We are active in our church and other local organizations in our community.

If we were to describe Otter Tail Adjusting in one word, it would be *Efficient*.



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## Sept. , 2023, Board Meeting Synopsis *Jim Williams, Secretary-Treasurer*



The MAFMIC Board met on September 13<sup>th</sup> for its regular board meeting at the home office in St. Joseph, Minnesota. In addition to the standard board items, there was plenty of information provided to the board with action taken as required. The anti-trust policy was in play as the agenda, minutes and financial reports were approved per usual procedure.

Chairman Nick Hager gave his report on things going on since our last meeting including the executive meeting held on September 12<sup>th</sup>, the strategic plan, and the loss adjustment expenses project. No action was taken. Some items highlighted from the executive committee included timing of employee reviews, the emergency response plan at events, and the timing and budget for a new company vehicle.

Dani reported on the golf outing, the RAAC meeting, the agent meetings, and the manager & director seminar, all of which occurred since the last board meeting. Attendance was down for some events.

Adam Axvig presented a legislative update and reported that not much was going on at the Capital currently. He met with MNDOC to discuss current industry issues. He has inquired with the Assistant Commissioner about any ability to control the “storm chaser” contractor problems in the state. Support of individual candidates will be a strong legislative strategy going forward. Each district representative was invited to share any activities since the last board meeting. No action was taken.

Strategic Planning - Nick has received back some information from each committee including a description of each committee along with the goals and challenges of each committee that are being compiled in this process. The goal is to have a defined process which will be streamlined and easy to update going forward. Nick walked through the current draft on the screen for the entire board to follow along to give context to what the final version would be like. Nick asked if the board was in support of this process and, though no formal action was taken, the board was in favor of the revising of the strategic plan.

Loss Adjusting Expense Accounting - MNDOC requested a memo from Adam regarding the reasoning for the requested change. He is in the process of drafting this document and having it reviewed by pertinent parties involved. Nick explained the issue including an example from experience.

The current budget for the 2024 MAFMIC Convention was presented to the board. Projecting flat fees for 2024 and projecting a small financial loss from the event to be conservative. A motion was made and seconded to approve the budget as presented. Motion carried.

The dues task force committee met with the executive committee to discuss different ideas for MAFMIC dues going forward considering changes in the industry, including mergers and acquisitions activity as well as conversions of township mutual companies. The goal was to improve fairness and ease of calculations of the dues and provide stable and predictable revenue to MAFMIC into the future. The task force plans to have a recommendation for the December board meeting. No action taken.

Next Meeting is scheduled for December 12-13, 2023 to be held at the MAFMIC Office.

*Jim Williams, MAFMIC Secretary-Treasurer*

## “Looking for the Turn”

*Submitted by Randy Green, Green Wealth Management*

As we head into fall, looking for perfect (or at least favorable) weather for harvest, we notice every day the continuous turning of leaves as we approach peak fall colors.

While I watch for the peak of the colors turning, I can't help but draw the comparison to what the Federal Reserve is doing with interest rates. In general, rates are at 17-year highs, which means bond prices are at the lowest point in the same timeframe. “Looking for the turn” may be our most important task if we are to be successful investors for decades to come.

The following content is from an article in Barron's Financial Magazine dated Sept 22<sup>nd</sup>, 2023. Title: Treasury Yields Aren't Done Rising. Buy Them Anyway. By Nicholas Jasinski “With the economy going strong and inflation sticking around, interest rates won't be heading back to zero anytime soon. In fact, they may still drift a bit higher in the coming weeks as the Fed delivers on another quarter-point rate hike this year.”

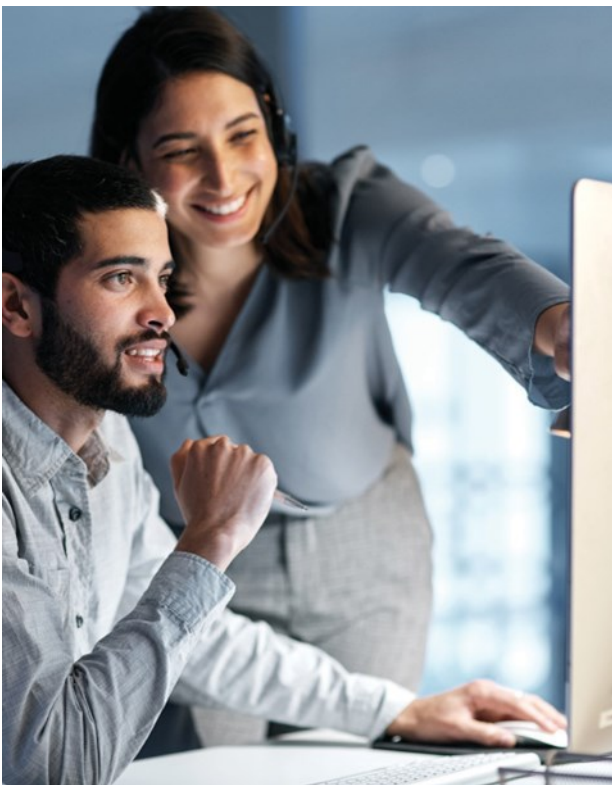
“A year from now, however, bond yields are likely to be meaningfully lower than today. Investors shouldn't overthink trying to time the market exactly: Lock in those 4.5%-plus yields today, whether via Treasuries, bank certificates of deposit, or another structured investment. You'll get an attractive cash coupon and the potential for some capital appreciation in the coming years.”

“Progress on inflation and greater signs of slowing in the U.S. economy in 2024 will allow the Fed to back off – not necessarily by cutting the fed-funds rate right away, but at least giving room for officials to more definitively signal that they have reached peak rates for the cycle.”

While no one has a “crystal ball” with regard to when the peak in rates will be, I firmly believe we are close to the top. The coming weeks may provide one of the last opportunities to lock in 17-year high long-term rates for years to come.

Keep a close eye on the fall colors!

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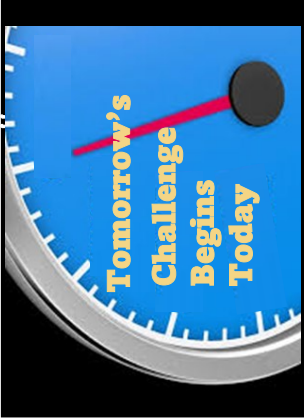
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**129th Annual Convention Registration**  
**February 4-6, 2024**  
Radisson Blu Mall of America  
2100 Killebrew Drive  
Bloomington, MN 55425



**Mutual Insurance Company:**



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Substitute another person at no additional charge.  
*Cancellations on or before Jan. 19th - 75% refundable.*  
*Jan. 20- Feb. 1 and No Refunds after Feb. 1st.*

***\* Make checks payable  
to MAFMIC***

**Registration**

**Early Bird**

**After Jan. 12**

Delegate  
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\$380  
\$380  
\$580  
Call MAFMIC Office

**\* Must register by January 12 for the Early Bird Rate! \***

**Delegate/Spouse/Guest/Non-member**  
will receive all meal tickets except the prayer breakfast.  
*Prayer Breakfast is an Optional Ticket that  
can be purchased for \$40.*

**OPTIONAL**

Please **PRINT** names and **mark delegate** or  
spouse/guest **AND** if registrant is first time attendee.  
Please check necessary additional meals.

**\*NOTE:** First person listed will be your **COMPANY'S  
VOTING DELEGATE** at the annual business meeting.

**Email Address**

Delegate

Spouse/Guest

First Time Attendee

Food Allergies

Add'l Chairman's  
Reception \$70

Prayer Breakfast \$40

Add'l Monday Lunch \$45

Add'l Breakfast Buffet \$45

Add'l Tuesday Lunch \$45

Add'l Banquet \$70

**TOTAL AMOUNT**

\*1.

2.

3.

4.

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## “Photographing an Insured’s Property”

*Submitted by John Neal, Attorney, Willenbring, Dahl, Wocken & Zimmermann, PLLC*

Recently I spoke at MAFMIC’s Risk Assessment and Adjuster’s Conference. The presentation topic was fire investigations from a legal perspective. A small portion of that presentation addressed MINN. STAT. § 609.746 in the context of photographing a residential fire loss.

MINN. STAT. § 609.746 provides, in part:

### **Subdivision 1. Surreptitious intrusion; observation device**

....

(b) A person is guilty of a gross misdemeanor who:

- (1) enters upon another’s property;
- (2) surreptitiously installs or uses any device for observing, photographing, recording, amplifying, or broadcasting sounds or events through the window or any other aperture of a house or place of dwelling of another; and
- (3) does so with intent to intrude upon or interfere with the privacy of a member of the household

While the MAFMIC policies contain a provision requiring the insured to allow the insurer to inspect the property, I recommend obtaining the insured’s consent before investigating and photographing a residential fire loss. This avoids any potential claims that could bring the statute above into play.

This in turn raised a number of audience questions with respect to photographing a residence during property inspections. Those questions primarily focused on this: Does this statute prohibit an inspector from photographing a residence without the insured’s permission? Those questions prompted this article.

There are a number of reasons why a property inspection for underwriting purposes can be different than a fire investigation. For example, some fire investigations call into question an insured’s involvement with a fire loss, which in turn could implicate a criminal prosecution against the insured.

*Continued on next page 8*

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Photographing an insured’s residence without their consent under those circumstances may allow an insured to later claim that the photographs were done secretly for the purpose of interfering with the person’s privacy. By comparison, due to Fourth Amendment privacy concerns, law enforcement often obtain a warrant before entering a person’s property for a criminal investigation (*i.e.*, to prevent the obtained evidence from being thrown out later in a court of law for violating the person’s right from unreasonable searches and seizures).

A fire investigator, by obtaining consent from an insured prior photographing the residence during a fire investigation, eliminates the potential for a claim that the photographing was done “surreptitiously” (*i.e.*, secretly). Therefore, it is recommended to obtain the insured’s consent under those circumstance. Does failure to obtain consent give rise to a violation of the statute? Not on its face. Rather, obtaining consent acts as a safeguard. And, if the insured refuses to give consent, then the cooperation clause of the policy is now called into question and may give rise to an independent basis to deny a claim.

A property inspection, on the other hand, is different. It is done for the purpose of underwriting and not investigating an insured’s potential involvement in a fire loss (not that all, or even most, fire investigations call into question the insured’s involvement). And, those property inspections are often prompted from an insurance application or at the time of renewal. Therefore, it is difficult to claim that photographing the residence under those circumstances is done secretly or for the purpose of interfering with the insured’s privacy.

None the less, even the most innocent actions are not safeguarded from accusations or allegations even if those accusations or allegations are incorrect. Therefore, it is still advisable to obtain consent from an insured to photograph their residence even for inspection purposes. The insured could give consent within a signed insurance application or at the inspection (but before any photographing occurs).

Does failure to obtain consent to photograph property prior to an insurance inspection give rise to a violation of the statute? Not on its face. Rather, obtaining consent acts as a safeguard.

### **“Will Contractors Bring St. Matthews Bill Next Session?”**

*Submitted by Adam Axvig, MAFMIC President/CEO*

By all accounts, we should see a much less active legislative session when the legislature reconvenes on February 12 next year. With the possibility of up to three constitutional amendments and numerous fixes for measures passed last session, legislators should have enough on their plate for the abbreviated even-numbered year session.

However, one issue we could see pop up related to insurance is a bill offered as a response to a Minnesota Supreme Court opinion issued last year.

The legislation would address the result of the [St. Matthews vs. State Farm case](#), a dispute centered around State Farm’s obligation to cover the cost to fix prior damage to enable procurement of a city permit to address the covered storm damage to the church’s drywall. Both parties in the dispute stipulated to the facts that the masonry damage was pre-existing and the drywall damage was a covered loss under the terms of the policy.

At issue was the City of Saint Paul’s demands that the masonry damage be fixed before a permit could be issued to fix the drywall. St. Matthews sued State Farm, arguing that the masonry damage should be covered as part of the claim. In a split decision, the Supreme Court disagreed with St. Matthew’s claims and State Farm prevailed.

To address this decision, the contractors are behind a bill at the legislature that would put insurance companies on the hook for “any incidental or consequential repairs or replacement to nondamaged portions of the property that may be necessary in order to satisfy the minimum code requirements.”

[SF 2290](#) / [HF 2315](#), chief authored by Sen. Jeff Howe (R – Rockville) and Rep. Erin Koegel (DFL – Spring Lake Park), respectively, would add the aforementioned language to Chapter 65A.10 in Minnesota Statutes. MAFMIC joined other insurance associations in opposition to the measure, which never received a hearing in either the House or Senate.

The bill would obligate carriers to bring all portions of the property up to code, regardless of whether or not the portion to be fixed experienced damage from a covered loss. This legislation would vastly expand the exposure for insurance companies, further straining an already challenging market. MAFMIC has, and will continue to, oppose the legislation in its current form.





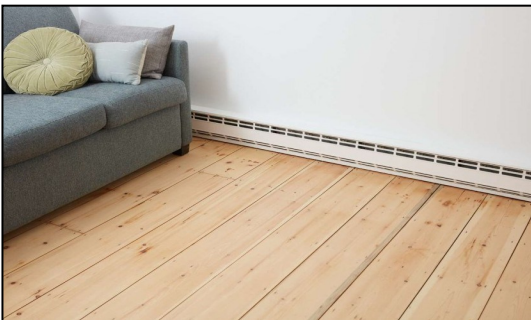
## Preparing Your Home for Winter Weather

Each year, winter poses a real threat to homes across the Midwest. The consequences of being unprepared for extreme weather can be long-lasting, leaving many homeowners to deal with the financial fallout into spring and beyond. By winterizing your home and buildings, you can protect yourself from potential consequences when freezing weather and winter storms strike.

**Insulation** – Freezing weather can lead to plumbing pipes, typically found in exterior walls, to leak and/or burst if adequate insulation isn't present within the wall, floor, or attic areas of the home. During extreme cold spells, it may be helpful to keep cabinet doors open allowing warm air to circulate around pipes in kitchens and bathrooms.

If your home is older than ten years, it may be beneficial to have a contractor inspect your attic to ensure you have the adequate amount of insulation present, as attic insulation can settle over time, resulting in heat loss. Most home improvement stores offer sales on insulation each fall to help homeowners safeguard their home.

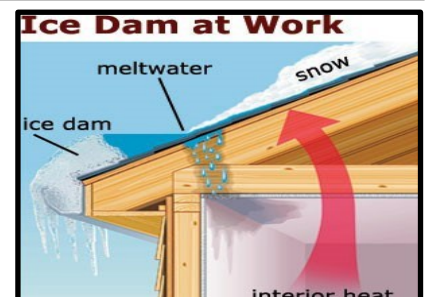
If you are traveling away from your home for an extended period of time, such as several days or months, don't rely on your insulation or heating appliance to safeguard your home. Shut the water supply off to prevent flooding in the event of water line failure.



**Furniture** – It is important to keep heat circulating in your home during winter. Make sure furniture or rugs do not block heating vents, preventing circulation. If your home is equipped with baseboard heating, make sure furniture is not up against the baseboard heater. Check with your manufacturer for proper spacing requirements. as various heater types and models may have different spacing requirements. However, as a general rule, aim to keep furniture at least 12 inches away from baseboard heaters.

**Ice Dams** – An ice dam occurs when your home's attic does not have the adequate amount of insulation and heat escapes the living space, melting the snow that has accumulated on the roof. Over time, this melting and refreezing of the snow can cause an ice dam to form that results in pooling water on your roof. The pooling water can leak inside the residence, resulting in water damage.

Having the snow raked from your roof following a heavy snowfall can help to prevent ice damming.

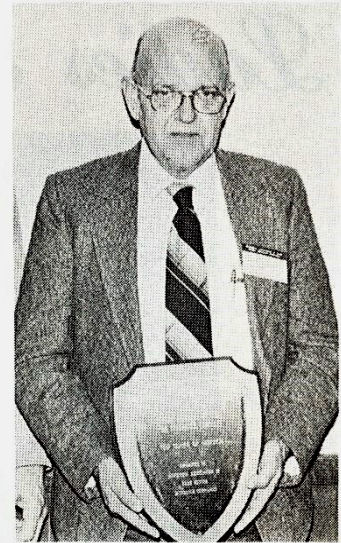




## CENTURY-OLD COMPANIES HONORED BY MAFMIC



MAFMIC presented beautiful commemorative plaques to seven of its member companies which are observing their 100th birthdays in 1983. Above (l to r): GERHARD THOENES, Sr., Moe & Urness Mutual, Brandon; MYRTLE TRUDEAU, Sverdrup Mutual, Underwood; ELAINE BRANDT, Spring Valley Twp. Mutual, Spring Valley; EDWARD SPIELMAN, White Bear Lake Mutual, Starbuck.



JACK BUTLER  
Shelby Mutual  
Amboy



SGTS-AT-ARMS -- Stan Chromy, New Prague; Henry Dahlberg, Clearbrook; Larry Heidebrink, Rushmore; Ron Waibel, Balaton and Al Backes, Cold Spring. Tom Mroska, St. Cloud was absent at time of picture.



JOYCE JACOBSON  
Harmony Mutual



VERNON ZANDER  
Rollingstone Mutual



## QUESTION BOX SESSION POPULAR --

This panel conducted a full half day session covering over fifty questions and answers. They are: Willie Schomer, Pierz; Dick Newton, Grand Rapids; Stub Nelson, moderator, Upsala; Tom Brinkman, Minneapolis and George Paur of Bird Island.

These fellows put forth a real effort to make it an interest-session which included a full 4-hour review meeting on Sunday. THANKS FELLOWS for a good job!



Nov/Dec 2023



# Announcements



MAFMIC

Volume 51, Issue 6



*Please advise the MAFMIC office of your annual meetings. The date, time & location.*

*We would like to include the annual meetings on the website calendar. Your help is very much appreciated.*

## 2023 NAMIC FMDC & PFMM

FMDC

Karla Bauer and Jenny Eiyneck  
Gilford Mutual St. Joseph Mutual

PFMM

Hallie Radloff  
Sumter Mutual

## 2023 Events

Nov. 15-16 [MAFMIC Short Course](#)  
Arrowwood Resort, Alexandria

## 2024 Events

Feb 4-6 [MAFMIC Annual Convention](#)  
Radisson Blu, Bloomington

May 7-8 **Managers Workshop**  
Grand View Lodge, Nisswa

May 22-23 [NAMIC FARM Mutual Forum](#)  
Nashville, TN



MAFMIC  
Closed



Thanksgiving Day - Nov. 23rd  
Thanksgiving Friday - Nov. 24th

December 25 & 26 - Closed  
January 1st (New Years Day)

Time to turn back  
your clocks !!  
Sunday Nov. 5th



IN SYMPATHY



**Dale R. Williams, age 83**, of Lake Crystal, died on September 8, 2023. Dale was born March 28, 1940 to Roger and Mabel (Johnson) Williams in Sioux City, Iowa. He graduated from Windom High School in 1958. On June 17, 1959, Dale married Shari O'Neil at Amo United Methodist Church near Storden, Minnesota. Together, they raised four children. In 1961, he received his bachelor's degree from Mankato State University.

Dale began his working career teaching math and science in Westbrook, Minnesota. After moving his family to Madelia in 1964 he worked several years at the Citizens National Bank in Madelia and then he **managed Madelia-Lake Crystal Mutual Insurance Company**. Dale also owned and operated his own insurance agency and sold real estate. He served as the mayor of Madelia for 12 years, and was a part of numerous clubs and service groups. Dale is survived by his wife Shari, children, Brad (Rich Giambrone) Williams, Wendy (Steve) Hennager, and Jodi (Bob) Weston; seven grandchildren and five great-grandchildren. His brother, Jack Williams, brother-in-law, David (Elaine O'Neil); nieces, nephews and many friends.

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